State	City/town/county	Source of flooding	Location	#Depth in feet above ground. *Elevation in feet (NGVD)
			Approximately .49 mile upstream of confluence with Pond Creek.	*656
		Burns Run	Confluence with Tygart Creek	*696
			Approximately .5 mile upstream of confluence with Tygart Creek.	*748
		Tributary A	Confluence with Ohio River	*613
			At county boundary	*613
		Williams Creek	Confluence with Big Run	*615
			At county boundary	*615
		Pond Run Upper Reach	At confluence with Ohio River	*612
			Approximately .61 mile upstream of confluence with Ohio River.	*612
		Pond Run Lower Reach	At most downstream county boundary	*600
			At most upstream county boundary just downstream of levee.	*601
		Wards Run	At confluence with Little Kanawha River	*610
			County boundary at Camden Avenue	*610

Maps available for inspection at the Probate Office, Wood County Courthouse, Parkersburg, West Virginia.

(National Flood Insurance Act of 1968 (Title XIII of Housing and Urban Development Act of 1968), effective January 28, 1969 (33 FR 17804, November 28, 1968), as amended; 42 U.S.C. 4001–4128; and Executive Order 12127, 44 FR 19367; and delegation of authority to the Administrator)

Issued: November 15, 1984.

Jeffrey S. Bragg,

Federal Insurance Administrator, Federal Insurance Administration.

[FR Doc. 84-31254 Filed 11-30-84; 8:45 am]

BILLING CODE 6718-03-M

FEDERAL COMMUNICATIONS COMMISSION

47 CFR Part 61

[CC Docket No. 81-893; FCC 84-511]

Procedures for Implementing the Detariffing of Customer Premises Equipment and Enhanced Services (Second Computer Inquiry)

AGENCY: Federal Communications Commission.

ACTION: Fourth report and order.

SUMMARY: This order establishes the requirements regarding the detariffing of embedded customer premises equipment (CPE) owned by Western Union and the International Record Carriers. The Order continues the process of removing CPE from regulated operations based on the Commission's finding that the competitive provision of CPE is in the public interest. The Order requires that record carrier CPE be detariffed no later than December 31, 1985.

EFFECTIVE DATE: The Effective date of this Order is December 3, 1984.

FOR FURTHER INFORMATION CONTACT: Mary Brown, Policy and Program Planning Division, Common Carrier Bureau (202) 632–9342.

Fourth Report and Order

In the matter of procedures for implementing the detariffing of customer premises equipment and enhanced services (second computer inquiry) (CC Docket No. 81–893).

Adopted: October 26, 1984.
Released: November 5, 1984.

By the Commission.

I. Background

1. This Report and Order continues the process of implementing the Commission's decision in the *Second Computer Inquiry* [1] to detariff customer premises equipment (CPE) [2] provided by Western Union and the international record carriers (hereinafter collectively referred to as the record carriers). Prior orders in this docket have addressed the implementation of detariffing of AT&T's embedded CPE, CPE used in the provision of mobile services, and CPE provided by the independent telephone companies.[3] In the *Notice of Proposed Rulemaking* in this docket,[4] the Commission proposed to detariff any record carrier CPE not already detariffed by December 31, 1987. To accomplish detariffing, the Commission proposed to allow the record carriers to submit detariffing plans demonstrating that the carriers would adhere to the general principles developed in the *AT&T Order*, as well as the Commission's accounting rules.[5] We sought comment on whether our proposals equitably balanced the interests of ratepayers, users, and the record carriers. We also sought comment concerning the treatment of CPE already removed from regulated service. This Order generally adopts the proposals as set forth in the *Notice*, with the modifications noted below.

2. Subsequent to the *Final Decision* in *Computer II*, the Commission, as part of a proceeding to unbundle record carrier CPE from the provision of service, ordered that the international record carriers detariff telex equipment. *Interface of the International Telex Service with the Domestic Telex and TWX Service*, Docket No. 21005, 86 FCC 2d 411 (1981) (*IRC Telex Detariffing Order*) *aff'd sub nom. Western Union*

[1] *Amendment of § 69.702 of the Commission's Rules and Regulations (Second Computer Inquiry)*, 77 FCC 2d 384 *(Final Decision), reconsideration*, 84 FCC 2d 50 (1980), *further reconsideration*, 88 FCC 2d 512 (1981). *Aff'd sub nom. Computer & Communications Industry Ass'n* v. *FCC*, 693 F.2d 198 (D.C.Cir. 1982), *cert. denied sub nom. Louisiana Pub. Serv. Comm'n* v. *FCC*, 103 S. Ct. 2109 (1983) (hereinafter collectively referred to as *Computer II*).

[2] Customer premises equipment includes any equipment provided by a common carrier and located on the premises of a customer, except overvoltage protection equipment, simple inside wiring, intrasystem wiring, or multiplexing equipment used for the delivery of multiple channels to a customer.

[3] *See* CC Docket No. 81–893, Report and Order, 95 FCC 2d 1276 (1983) (AT&T Order); CC Docket No. 81–893, Second Report and Order, FCC 87–269, released June 29, 1984 (Mobile Services Order); and CC Docket No. 81–893, Third Report and Order, FCC 84–483, released October 26,1 984 (Independents' CPE Order).

[4] 94 FCC 2d 76 (1983) (hereinafter *Notice*).

[5] *Id.* at 110–11.

Telegraph Co. v. *FCC,* 674 F.2d 160 (D.C. Cir. 1982). The order did not apply to Western Union Telegraph Company (Western Union),[6] and did not implement the detariffing of any non-telex CPE owned by these carriers. By August 1981, the international record carriers had removed their telex equipment from tariff. In 1982 and 1983, these carriers also removed some non-telex CPE from tariff.[7] Some of the carriers detariffed all of their CPE by transferring it to a separate subsidiary, while others detariffed selected non-telex CPE. Thus, only Western Union's embedded CPE, along with some of the embedded non-telex CPE provided by the other record carriers, remains under tariff.[8]

3. Two carriers submitted comments in response to our *Notice* concerning the detariffing of record carrier CPE. TRT Telecommunications Corporation (TRT) argues that it has already complied with the goals of the *Notice* by transferring all of its CPE to a separate, but commonly-controlled, company. Western Union submitted substantive comments, objecting to the application of the general principles developed in the *AT&T Order* to the record carriers. Western Union specifically objects to the use of net book value as the transfer value for the CPE, and the requirement that this equipment be offered for sale at net book value during a "price predictability" period.

II. Discussion

A. Determination of Applicable Principles

4. In the *Notice,* we proposed to allow each record carrier to submit a CPE detariffing plan which would explain the detariffing principles and procedures which the carrier proposed to follow. In the *AT&T Order,* we stated that the record carriers could look to the principles developed in the AT&T case to determine how detariffing should proceed. *AT&T Order,* 95 FCC 2d at 1377–78. Western Union complains that it is unable to discern which principles should apply, and argues that if the AT&T procedure is adopted in its entirety, the record carriers will suffer serious competitive disadvantages.[9] In addition, Western Union argues that § 35.1–7(b) of the Commission's Rules governs the removal of assets from the rate base, and that the Commission should consider how this section relates to the principles developed in the AT&T case.

5. Although our original proposal, as discussed in the *Notice,* would provide maximum flexibility to the record carriers in detariffing CPE, we believe that considerations of consistency, fairness, and administrative convenience require that we specify the legal and accounting principles pertinent to this proceeding. Resolution of the issues raised by Western Union will enable the record carriers to detariff CPE in a manner consistent with the requirements which we view as necessary to accommodate the public interest. Furthermore, by alleviating uncertainty to the maximum extent possible, we can expedite the detariffing process. For reasons discussed *infra* at para. 11, however, we decline to impose one methodology to accomplish detariffing. Although we will elucidate the principles which will apply to the removal of CPE from the rate base, the carriers are free to fashion any detariffing mechanism consistent with the policies explained here.

B. Relevant Accounting Rules

6. Western Union argues that we should not require the record carriers to submit detariffing plans until we have explained how the relevant accounting rules affect the detariffing process. Western Union argues that § 35.1–7(b) of the Commission's Rules should govern the accounting methodology associated with this process.

7. Sections 34.1–7(b) and 35.1–7(b) of the Rules establish the accounting procedures to be followed in transferring record carrier assets from regulated accounts to non-regulated accounts. Section 34.1–7(b) applies to most of the international record carriers, while § 35.1–7(b) applies to Western Union and the remaining record carriers. The provisions and effect of the two sections are identical. Pursuant to these rule sections, the transfer is accounted for by crediting the appropriate plant accounts and charging the depreciation reserve account by the amount credited. The depreciation reserve account is then credited, and the non-regulated account charged, with the "estimated fair value" of the assets transferred. Any loss or gain on the transaction is therefore reflected in the depreciation reserve account, which raises or lowers the value of the rate base. The only open issue with regard to the detariffing of record carrier CPE is the determination of what constitutes "estimated fair value." *See Amendment of Parts 34 and 35,* CC Docket No. 83–678, FCC 83–398, released Sept. 1, 1983, at para. 34.

8. Sections 34.1–7(b) and 35.1–7(b), therefore, do not determine what constitutes "estimated fair value." The Commission must determine the valuation issue consistent with the principles established in *Democratic Central Committee* v. *Washington Metropolitan Area Transit Commission,* 485 F.2d 786 (D.C. Cir. 1973) and related cases, *cert. denied sub nom. D.C. Transit System* v. *Democratic Central Committee,* 415 U.S. 935 (1974). The *Democratic Central Committee* case requires that a gain or loss on the transfer of regulated assets be charged to the group—*i.e.,* ratepayers or shareholders—who bore the risk of loss when the assets were regulated. 485 F.2d 807–08. Record carrier ratepayers have generally borne the risk of loss on record carrier CPE.[10] Thus, while § 34.1–

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[6] At the time the Commission issued the order, Western Union was restricted to the provision of domestic record carrier services, while the international record carriers were restricted to providing record carrier services from certain "gateway" cities to international locations. The record carriers now compete for domestic and international traffic, as a result of recent amendments to the Communications Act, and the Commission has authorized Western Union to provide international service. Record Carrier Competition Act of 1981, Pub. L. 97–130, 95 Stat. 1687, Dec. 29, 1981, 47 U.S.C. 222 (1983); Western Union Telegraph Co., 94 FCC 2d 472 (1983).

[7] As authority for detariffing non-telex CPE, the IRCs' relied upon the *IRC Telex Detariffing Order* and the *Computer II* decisions. While the Common Carrier Bureau permitted these carriers to detariff the specified non-telex CPE, the carriers were required to maintain separate books of account in the event a different valuation standard for embedded CPE was required as a result of Commission action in this docket. *See e.g. TRT Telecommunications Corp.,* Mimeo No. 6293, released September 14, 1982 (authorizing TRT to detariff its leased channel terminal equipment). International record carrier CPE which remains under tariff, and which will be detariffed pursuant to this Order, includes: RCA Global, Tariff No. 79, handset equipment for Datel; RCA Global, Tariff No. 80, station equipment for Press Bulletin service; RCA Global, Tariff No. 75, station equipment for Overseas Stock Ticker service; RCA Global, Tariff No. 98, teleprinter equipment for Sports Bulletin service; Western Union International, Tariff No. 11, handset equipment for Datel; Western Union International, station equipment for Press Bulletin service; FTC, Tariff No. 13, handset or teleprinter equipment for Datel; ITT Worldcom, Tariff No. 47, station equipment for Press Bulletin service; ITT Worldcom, Tariff No. 42, station equipment for Overseas Exchange Ticker service; ITT Worldcom, Tariff No. 44, teleprinter equipment for International Sports Events Reporting Service; TRT, Tariff No. 16, equipment for Telegram-Mexico (this appears to be the only equipment not transferred by TRT).

[8] Pursuant to the *Computer II* decisions, any CPE which was tariffed or otherwise subject to the separations process as of January 1, 1983, is considered embedded. CPE which enters a carrier's inventory on or after that date must be offered on a non-regulated basis. Further Reconsideration, 88 FCC 2d at 526.

[9] Western Union's specific allegations regarding competitive disadvantages are discussed *infra,* para. 10.

[10] Western Union argues that, pursuant to § 35.1–6(j) of the Commission's Rules, the shareholders bear the risk of loss when CPE is sold out of the rate

Continued

7(b) and 35.1–7(b) specify the accounting procedures used to transfer regulated assets to non-regulated accounts, they do not address valuation to be assigned to the embedded CPE.

C. Valuation

9. The *Notice*, in proposing to detariff record carrier CPE, did not specifically suggest that the Commission establish the "estimated fair value" of the CPE to be transferred. The *Notice* instead proposed to accomplish detariffing by reference to the general principles used in detariffing AT&T's embedded CPE. The *AT&T Order* adopted economic value as the valuation standard to be used in detariffing, and defined economic value as the price a carrier would be willing to pay for its CPE if, instead of owning it, the carrier had the opportunity to purchase it. *AT&T Order*, 95 FCC 2d at 1306. But we determined that measuring the economic value of AT&T's embedded base was impractical. As a result, we adopted net book value as a surrogate for economic value.[11] *Id.* at 1306–07.

10. Western Union argues that the use of net book as a surrogate for economic value is unnecessary and undesirable in the case of the record carriers. Western Union asserts that the use of net book, in combination with the post-transfer control requirements imposed on AT&T, would have negative effects on the market for record carrier CPE because net book value exceeds the market value of the equipment. Thus, a requirement that the record carriers offer their in-place equipment at net book to customers would bring sales of in-place CPE to a halt. Western Union argues that economic value can be measured by reference to recent sales of equipment.

11. The decision of how to measure the economic value of record carrier CPE has been complicated by deregulatory events which have occurred since our adoption of *Computer II* and by the regulatory history of these carriers. In some cases, the record carriers have already transferred their equipment at net book value to separate subsidiaries. In TRT's case, the transfer was made to an affiliated non-carrier company which is commonly controlled by TRT.[12] While these events would not render our adoption of an alternate valuation measurements standard impossible, we hesitate to impose a measurement which, for example, would require these carriers to attempt to appraise their CPE as it existed at the time of the transfer.[13] The practical problems of measuring the value of CPE which has long since been removed from the rate base seem to require that a surrogate value, such as net book be employed. The use of net book value, however, presents equally difficult problems with respect to other carriers. Some of the record carriers have had their depreciation rates prescribed by Commission order.[14] Others have been free to alter their depreciation rates without obtaining Commission approval. Thus, some of the carriers have been able to adjust depreciation rates to changes in the CPE marketplace, as that marketplace is affected by economic, technological, and regulatory factors. These differences in the regulatory environment may affect the degree to which a carrier should be required to protect the interests of ratepayers in transferring the equipment to non-carrier accounts. Therefore, even if we were to require that the CPE be transferred at net book, it would be difficult to determine on the basis of our record here what, if any, additional requirements would be necessary pursuant to our obligations under *Democratic Central Committee.*

12. Rather than impose one methodology for measuring economic value, we will allow the record carriers to determine independently the "fair value" of their CPE for the purpose of making the necessary accounting entries prescribed in §§ 34.1–7(b) and 35.1–7(b). In all cases, the methodology employed should be consistent with the principles enunciated in *Democratic Central Committee* and applied in the *AT&T Order. See id.* at 1312–19. If, for example, a carrier seeks to transfer its equipment at net book value, it should consider whether the risk of loss or gain on the transfer remains with the group which carried the risk of loss or gain when the CPE was regulated. The record carriers should further consider whether post-transfer controls similar to those imposed on AT&T would be necessary under the circumstances, especially where the equipment is transferred at net book value. The same is true if the carrier seeks to establish economic value by reference to appraisals or some other valuation methodology.

13. Adoption of a flexible, individual method of valuing CPE has the advantage of avoiding across-the-board requirements which could prove difficult or impossible to implement with the carriers as a group. We are not unaware, however, of the fact that this approach creates the potential problem that a carrier may determine, "fair value," in a manner which is at odds with *Democratic Central Committee.*[15] For example, the carrier could grossly undervaluate its CPE, only to allow its shareholders to receive the actual gains on the CPE as it is sold out of a nonregulated account. We conclude, however, that the likelihood that a carrier would manipulate transfer value in this manner appears minimal and our review of the plans will focus on this issue. In addition, as a result of various deregulatory activities in recent years, the marketplaces for record carrier services and CPE have become increasingly competitive.[16] All the

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base. We conclude, however, that, not withstanding Western Union's assertion, ratepayers are entitled to the gains, if any, on the transfer of equipment to non-regulated accounts. In reaching this conclusion, we first note that, under *Democratic Central Committee*, "our task . . . is properly to balance the investor and ratepayer interests so as to apportion gains and losses in the most equitable manner." *American Tel. & Tel. Co., Charges for Interstate Telephone Service*, Docket No. 19129, Phase II, 64 FCC 2d 1, 66 (1977), *quoted in AT&T Order*, 95 FCC 2d at 1314. Our conclusion here that ratepayers are entitled to any gains represents an equitable apportionment for the following reasons. First, under our ratemaking policies, ratepayers have borne the risk of loss due to obsolescense or casualty loss for the assets involved during the period of their use in regulated service. Second, investors have had an opportunity to earn a fair rate of return on their investment in these assets throughout such period of use in regulated service. *See e.g., International Carriers' Rates*, CC Docket No. 20778, 75 FCC 2d 726 (1980) (electing to maintain existing autl orized rate of return of 7.5 to 8.5 percent). Third, the combination of these first two factors has resulted in the insulation of investors from any losses affecting these assets during the period of regulated service. In other words, no investor risks have been associated with this investment. In these circumstances, investors have no claims to any gains upon the removal of these assets from regulated service. *See Democratic Central Committee*, 485 F.2d at 806 ("[A]n investor can hardly muster any equitable support for a claim to appreciation in asset value where he has been shielded against the risk of loss on his investment. . . .").

[11] As used here, "net book value" is the original cost of an asset less the related depreciation reserve. *See AT&T Order*, 95 FCC 2d at 1306, n.40.

[12] *See* TRT Transmittal No. 973, May 22, 1981; TRT Transmittal No. 995, Dec. 4, 1981; and TRT Transmittal No. 1028, July 20, 1982.

[13] Even if we were to impose such a requirement, it is doubtful that these carriers could locate all of the CPE transferred. Some of the CPE has no doubt been sold or otherwise removed from the inventory of the subsidiary or non-carrier company.

[14] *See, e.g., ITT WorldCom*, FCC 74–1420, released Jan. 6, 1975, and *Western Union Telegraph Co.*, FCC 77–19, released Jan. 11, 1977.

[15] To ensure that the dangers of price manipulation will be minimized, we are requiring the carriers to report their detariffing plans to the Commission. *See infra* at para. 15.

[16] In the *Competitive Common Carrier* proceeding, the Commission found the record carrier industry was subject to sufficient competition to warrant forbearance treatment. *Competitive Common Carrier Services*, 95 FCC 2d 554, 571–2, 577 (1983) *aff'd* FCC 84–394, Mimeo No. 34934, released August 27, 1984. These carriers, however, will be regulated pursuant to streamlined regulatory procedures until December 31, 1984.

Continued

record carriers now compete for both domestic and international business. Customers no longer need separate terminals to communicate on each carrier's facilities. In addition, the carriers are prevented from cross-subsidizing services and CPE, by virtue of the Record Carrier Competition Act. As a result, numerous non-carrier suppliers of CPE have been able to compete with the carriers in the CPE marketplace. Moreover, the industry is under increasing competitive pressure from companies providing a range of substitutable services, particularly in the domestic market. Accordingly, attempts to manipulate the transfer or sale price will be frustrated by competition in the CPE and service markets, as well as by the accounting safeguards we outlined in *Computer II.* We further intend to safeguard against one-time or continuing cross subsidy by evaluating, as part of our review of the transfer, the carriers' proposed valuation standard in light of the prior depreciation history and the competitive environment.

D. Related Issues

14. In addition to the CPE to be transferred, the carriers may have supporting assets which will also have to be transferred to nonregulated accounts. Generally, supporting assets are shared between the provision of CPE and other tariffed services. Carriers should follow existing procedures we have established in accounting for these shared assets. Any segregated supporting assets should be transferred in a manner consistent with the policies adopted in the *AT&T Order,* where we also employed economic value as the valuation standard.[17] 95 FCC 2d at 1366–67. Land and buildings are to be appraised and transferred at appraised value. As in *AT&T,* we will not require appraisal of other types of segregated supporting assets. Carriers should determine which valuation methodology should be employed consistent with *Democratic Central Committee* principles.

E. Procedural Matters

15. In implementing *Computer II,* we must be concerned with ensuring that the record carriers comply with the principles developed in *Democratic Central Committee* and our relevant accounting rules. Accordingly, we will require that the record carriers submit reports to the Common Carrier Bureau detailing their plans for removing CPE from tariff, and explaining how the process they have elected fulfills the *Democratic Central Committee* requirements. For the purpose of this report, Western Union should include plans regarding all of its CPE. The other record carriers should include plans for any CPE not detariffed pursuant to our order in CC Docket No. 21005, *supra,* para. 2. Carriers such as TRT who have detariffed non-telex CPE based upon the general *Computer II* finding that CPE should be detariffed, shall be required to justify the valuation methodology employed in detariffing, and to adjust their books retroactively if changes are required. The *Notice* proposed to detariff record carrier CPE no later than December 31, 1987. There appears to be no reason to defer detariffing until that date. As part of our review of the carriers' detariffing plans, we will evaluate whether CPE customers will have sufficient opportunity to purchase in-place equipment, or to purchase or lease other equipment, in a manner consistent with the plan adopted for AT&T. Thus, a carrier may detariff its CPE earlier if it demonstrates that its CPE customers will have the opportunity to evaluate present arrangements and pursue alternatives. Proposals explaining how the carriers will execute this process are due no later than July 1, 1985. To allow CPE customers adequate time to make other CPE arrangements, detariffing should not occur earlier than six months from the date the plan is filed. In all cases we will require that record carrier CPE should be detariffed no later than December 31, 1987, pursuant to *Computer II.* Detariffing plans will be placed on public notice, and will be subject to modification pursuant to our obligations under *Democratic Central Committee.*

III. Ordering Clauses

16. Accordingly, it is ordered that, pursuant to section 4(i), 4(j), 201–205, 213, 218, 220, and 403 of the Communications Act of 1934, 47 U.S.C. 154(i), 154(j), 201–205, 213, 218, 220, and 403, the policies, rules, and requirements set forth herein are adopted.

17. It is further ordered that Western Union and the international record carriers submit proposals regarding the detariffing of CPE to the Chief, Common Carrier Bureau, no later than July 1, 1985.

Federal Communications Commission.

William J. Tricarico,

Secretary.

[FR Doc. 84-31535 Filed 11-30-84; 8:45 am]

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when a portion of the Record Carrier Competition Act expires. *Id.* at 578; 47 U.S.C. 222(e). *See also Interconnection Arrangements,* 93 FCC 2d 159 (1983) (resolving issues related to the implementation of the Record Carrier Competition Act of 1981, Pub. L. 97-130, 95 Stat. 1687, 47 U.S.C. 222); *IRC Telex Detariffing Order, supra* para. 2 (detariffing the IRCs' telex CPE); *Gateways Order,* 76 FCC 2d 115 (1980) (opening up more "gateway," cities for the origination and termination of IRC traffic); *Unbundling Order,* 76 FCC 2d 61 (1980), *stay denied,* 77 FCC 2d 929 (1980) (unbundling the provision of services and CPE).

[17] We will take no action at this time regarding detariffing any inside or intrasystem wiring provided by the record carriers, because the record in this proceeding does not address the issue. Detariffing of embedded inside and intrasystem wiring will be addressed separately in due course.

INTERSTATE COMMERCE COMMISSION

49 CFR Part 1057

[Ex Parte No. MC-43 (Sub-No. 14)]

Lease and Interchange Regulations (Master Leases)

AGENCY: Interstate Commerce Commission.

ACTION: Final rules.

SUMMARY: The Commission adopts final rules modifying existing leasing regulations set forth at 49 CFR Part 1057. The new rules allow the use of master leases and will allow required receipts to be transmitted by mail, telegraph, or other similar means of communications. The existing regulations, which require preparation and execution of a lease at the transfer point and inclusion of specific information about the trip involved, often make it difficult to execute valid leases. While we acknowledge that the regulations may not solve every impediment involving trip leasing, particularly those involving State rules and regulations, we conclude that the regulations will be the most effective method to streamline the existing process of trip leasing.

DATE: This decision will be effective on January 2, 1985.

FOR FURTHER INFORMATION CONTACT:

Judy Ann Barnes (202) 275-7962

or

Mary A. Kelly (202) 275-7292

SUPPLEMENTARY INFORMATION: Existing Commission regulations (49 CFR Part 1057) require that when a lessor transfers equipment to a lessee on a trip lease, the lessee must prepare and execute a receipt for the equipment at the transfer point. By notice of proposed rulemaking (49 FR 6522 (February 22, 1984)) we proposed to modify the existing leasing regulations as follows: (1) To allow the use of a master lease covering more than one unit of equipment; (2) to require that a copy of the master lease be carried in the equipment; and (3) to allow required receipts to be transmitted by mail, telegraph, or other similar means of communication. The proposed additions to the lease and interchange regulations would authorize the use of a master lease in connection with trip-lease operations, and would allow carriers to issue the initiating receipt other than in person. The proposed rulemaking was instituted at the request of the Common Carrier Conference—Irregular Route (CCC-IR).

Additional information is contained in the Commission's decision which is available for public inspection and copying at the Office of the Secretary, Interstate Commerce Commission. To purchase a copy of the full decision, write T.S. Infosystems, Inc., Room 2227, Interstate Commerce Commission Building, 12th and Constitution Ave., NW., Washington, DC 20423, or call 289-4357 in the DC Metropolitan area or toll free (800) 424-5403.

Regulatory Flexibility Analysis

In our prior decision we certified that this action would not have a significant economic impact on a substantial number of small entities. We reaffirm that finding here.

Energy and Environmental Considerations

This action will not have any significant adverse impact upon the quality of the human environment or conservation of energy resources.

List of Subjects in 49 CFR Part 1057

Motor carriers, Lease and interchange regulations.

Adoption of Rules

We adopt the revisions to Title 49, Part 1057, of the Code of Federal Regulations described in the appendix to this decision.

These rules are issued under the authority contained in 49 U.S.C. 10321 and 11107, and at 5 U.S.C. 553.

Decided: November 21, 1984.

By the Commission, Chairman Taylor, Vice Chairman Andre, Commissioners Sterrett, Gradison, Simmons, Lamboley and Strenio. Commissioner Gradison commented with a separate expression.

James H. Bayne,

Secretary.

Appendix

PART 1057—LEASE AND INTERCHANGE OF VEHICLES

Title 49 CFR Part 1057 is amended as follows:

§ 1057.11 [Amended]

1. Section 1057.11 is amended by adding sentences to the end of paragraphs (b)(1) and (d)(1) to read as follows:

§ 1057.11 General leasing requirements.

* * * * *

(b) * * *

(1) * * * The receipt identified in this section may be transmitted by mail, telegraph, or other similar means of communication.

* * * * *

(d) * * *

(1) * * * This provision is complied with by having a copy of a master lease in the unit of equipment in question and where the balance of documentation called for by this paragraph is included in the freight documents prepared for the specific movement.

* * * * *

2. Section 1057.22 is amended by adding a new paragraph (c)(4) to read as follows:

§ 1057.22 Exemption for private carrier trip leasing and trip leasing between authorized carriers.

* * * * *

(c) * * *

(4) * * * Nothing in this section shall prohibit the use, by authorized carriers, private carriers, and all other entities conducting lease operations pursuant to this section, of a master lease if a copy of that master lease is carried in the equipment while it is in the possession of the lessee, and if the master lease complies with the provisions of this section and receipts are exchanged in accordance with § 1057.11(b), and if records of the equipment are prepared and maintained in accordance with § 1057.11(d).

[FR Doc. 84-31514 Filed 11-30-84; 8:45 am]
BILLING CODE 7035-01-M

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

50 CFR Part 655

[Docket No. 31220-244]

Atlantic Mackerel, Squid, and Butterfish Fisheries

AGENCY: National Marine Fisheries Service (NMFS), NOAA, Commerce.

ACTION: Notice of squid specifications increase.

SUMMARY: NOAA issues this notice increasing the annual squid specifications to the Fishery Management Plan for the Atlantic Mackerel, Squid, and Butterfish Fisheries. Regulations governing the squid fisheries require publication of any specification adjustments, with reasons for such adjustments. This action is intended to foster the FMP's goal of creating benefits for the United States fishjng industry.

DATE: November 30, 1984, with a 15-day public comment period, ending December 17, 1984.

ADDRESS: Send comments to Salvatore A. Testaverde, Northeast Regional Office, NMFS, State Fish Pier, Gloucester, MA 01930-3097. Mark on the outside of the envelope, "Comments on Notice of Squid Specifications".

FOR FURTHER INFORMATION CONTACT: Salvatore A. Testaverde, 617-281-3600, extension 273.

SUPPLEMENTARY INFORMATION: Section 655.21(b)(1)(v) of the implementing regulations states that initial optimum yield (IOY) squid specifications will be determined annually by the Regional Director, NMFS, Northeast Region, in consultation with the Mid-Atlantic Fishery Management Council under § 655.22 (a) and (b) (49 FR 402, January 4, 1984). Section 655.22(f) states that any adjustments to the IOY will be published in the **Federal Register**, with the reason for such adjustments. This action provides increased *Loligo* squid specifications which are effective immediately. The adjustments are necessary because the representatives of Italian vessels which fish in the Northwest Atlantic requested from both the Mid-Atlantic and the New England Fishery Management Councils, at their October 1984 meetings, an additional *Loligo* TALFF allocation of 3,800 metric tons (mt). This additional amount would bring the 1984-1985 fishing year, which ends March 31, 1985, total amount of *Loligo* TALFF for Italy to 5,000 mt.

In exchange for the amount requested, the Italian vessel owners, through their U.S. representative, would commit to guaranteed purchases totaling no less than 300 mt of squid and, under any circumstances, not less than $250,000 worth of squid. In addition, arrangements would be made by the U.S. representative to accommodate U.S. fishing vessels that may want to enter into joint ventures with Italian vessels during the period under consideration. Other specifications are adjusted accordingly as specified at § 655.21(b)(1)(v).

The Secretary finds it necessary to apportion additional amounts without affording a prior opportunity for public comment, in order to prevent the premature closure of the *Loligo* squid fishery for Italy. This would impair the ability of domestic processors and fishermen to utilize a continuing fishery. However, public comments will be invited for a period of fifteen (15) days after the effective date of the apportionment. The Secretary of Commerce will consider all timely comments in deciding whether to continue, modify, or cancel an apportionment that has previously been made and will publish responses to those comments in the **Federal Register** as soon as practicable.

The following table lists the adjustments to the *Loligo* squid specifications in metric tons for the maximum optimum yield (Max OY), allowable biological catch (ABC), initial optimum yield (IOY), domestic annual harvest (DAH), domestic annual procesing (DAP), joint venture processing (JVP), Reserve, and total allowable level of foreign fishing (TALFF).

SQUID SPECIFICATIONS FOR FISHING YEAR 1984–85

[In metric tons (mt)]

Loligo squid	Initial annual specifications	Adjusted annual specifications
Max OY[a]	44,000	44,000
ABC	44,000	44,000
IOY	21,125	[b] 24,925
DAH	17,875	17,875
DAP	13,000	13,000
JVP	4,875	4,875
Reserve	0	0
TALFF	3,250	[c] 7,050

[a] This is the maximum OY (as stated in the FMP) to which the IOY may rise.
[b] This is the adjusted IOY, and includes the 3,800 mt increase.
[c] This is the adjusted TALFF, and includes the 3,800 mt increase.

Other Matters

This action is authorized by 50 CFR Part 655, and complies with E.O. 12291.

(16 U.S.C. 1801 *et seq.*)

Dated: November 28, 1984.

Carmen J. Blondin,

Deputy Assistant Administrator for Fisheries Resource Management, National Marine Fisheries Service.

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